NPIC/TDS/D-617-67
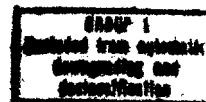10 January 1967

MEMORANDUM FOR THE RECORD

SUBJECT: [ ] , Contract [ ]

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1. On 5 January 1967 I discussed with [ ] the results of the conference he had with [ ] of the Office of Logistics concerning the [ ] It was my understanding that I was to have no further involvement in this matter until a conference could be held between all the principles involved.

2. On the afternoon of 5 January [ ] of the Office of Logistics called me to obtain information for a memo he was preparing to send to [ ] concerning the disposition of the 2nd Leibrascope computer. I stated that to the best of my knowledge the customer still desired to receive delivery on the computer but that some precaution would have to be taken to insure that it was still in acceptable condition.

3. On 6 January [ ] visited me in my office to review a draft of the letter he compiled to send to [ ] and to deliver a copy of the reply prepared by [ ] in response to [ ] complaint. A discussion followed concerning the final destination and means of shipping the computer (informal inquiries were also made to ascertain if the Navy and/or DIA was still interested in receiving the computer.) Concerning delivery, the following conclusions were derived; 1) if the computer was shipped to the [ ] the Agency would be responsible for any subsequent damages therefor, the Office of Logistics preferred to have it delivered directly to its final distination. 2) it could not be determined if the computer would go to DIA in [ ] or stay with the Navy who had originally ordered it. No agreement was reached concerning the disposition instructions and [ ] departed to reword his letter. I, in the process, avoided signing off on his draft letter. After [ ] departed I reviewed the reply to [ ] complaint compiled by Lt. [ ] and discovered that in the reply the Government was committed to accept the computer.

4. On 7 January, after converring with [ ] who has been maintaining contact with the Navy, decided that, in as much as, the Navy and DIA had not reached agreement as to the disposition of the

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SUBJECT:

computer decided that it should be delivered to Navy as they were officially the recipients and that any handling problems would have to be handled as they may arise. About this same time I began considering the consequences as to who had the responsibility of accepting the computer because of the following factors: 1) The computer was no longer in warranty, 2) because of the long period of idleness there is a good probability that it is no longer functioning, 3) the computer was modified from its original design to permit its being used with a Dura typewriter, and considerable difficulty was encountered by the Navy in getting the first unit operational when it was still under warranty and 4) [   ] must be assumed to be a hostile contractor and could not be expected to volunteer any assistance. This raised the issue as to who would be responsible for making the computer and associated equipment operational if delivery was accepted.

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5. This matter was then discussed with [   ] who in turn brought it to [   ] attention. As a result of this discussion I intend not to answer any further questions by [   ] which may in some way affect the case, until such time as further direction is received.

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6. On 10 January, received a phone call from [   ] DIA/IP stating that they intended to let the Navy retain the Leibraseppe computer.

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[   ]

Chief, Imagery Systems Branch

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